



Read this information first

You should file this schedule if

- you paid income tax to another state on income you earned while you were a resident of Illinois; and
- you did **not** deduct any income tax paid from federal taxable income on U.S. Form 1041, Line 11, **or** you did deduct it from federal taxable income, but you added it back on Illinois Schedule M, Other Additions and Subtractions (for businesses), Line 5, and
- the base income subject to tax in another state is included in the amount shown as Illinois base income (Form IL-1041, Line 27).

You should **not** file this schedule if

- you did **not** pay income tax to Illinois and another state on the same income; or

- you took a deduction on U.S. Form 1041, Line 11, but did not add back this amount on Illinois Schedule M, Line 5; or
- you are trying to take a credit for the Michigan Single Business Tax.

For purposes of this schedule, "state" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or political subdivision of any of these (e.g., county, city). The term "state" does not refer to any foreign country.

Note → If you have received any employee compensation (i.e., salary received as income in respect of a decedent) from a source in Iowa, Kentucky, Michigan, or Wisconsin, refer to the instructions for Form IL-1040 (Individual Income Tax Return), Schedule CR (Credit for Taxes Paid to Other States) for rules concerning compensation in states with reciprocal agreements.

Step 1: Provide the following information

Write your name as shown on your Form IL-1041.

Write your federal employer identification number (FEIN).

Step 2: Figure the non-Illinois portions of your federal taxable income

	A U.S. Form 1041	B Fiduciary's Share	C Non-Illinois Portion
1 Interest income	1a <u> .00</u>	1b <u> .00</u>	1c <u> .00</u>
2 Dividends	2a <u> .00</u>	2b <u> .00</u>	2c <u> .00</u>
3 Business income or loss	3a <u> .00</u>	3b <u> .00</u>	3c <u> .00</u>
4 Gain or loss on sales and exchanges	4a <u> .00</u>	4b <u> .00</u>	4c <u> .00</u>
5 Net rent and royalty income	5a <u> .00</u>	5b <u> .00</u>	5c <u> .00</u>
6 Income from partnerships and subchapter S corps	6a <u> .00</u>	6b <u> .00</u>	6c <u> .00</u>
7 Income from trusts and estates	7a <u> .00</u>	7b <u> .00</u>	7c <u> .00</u>
8 Real Estate Mortgage Investment Conduits (REMIC)	8a <u> .00</u>	8b <u> .00</u>	8c <u> .00</u>
9 Net farm income or loss	9a <u> .00</u>	9b <u> .00</u>	9c <u> .00</u>
10 Business property	10a <u> .00</u>	10b <u> .00</u>	10c <u> .00</u>
11 Other income	11a <u> .00</u>	11b <u> .00</u>	11c <u> .00</u>
12 Total Income. Add Column C, Lines 1 through 11.			12 <u> .00</u>
13 Interest	13a <u> .00</u>	13b <u> .00</u>	13c <u> .00</u>
14 Taxes	14a <u> .00</u>	14b <u> .00</u>	14c <u> .00</u>
15 Fiduciary fees	15a <u> .00</u>	15b <u> .00</u>	15c <u> .00</u>
16 Charitable deduction	16a <u> .00</u>	16b <u> .00</u>	16c <u> .00</u>
17 Attorney, accountant, and preparer fees	17a <u> .00</u>	17b <u> .00</u>	17c <u> .00</u>
18 Other deductions (including taxes)	18a <u> .00</u>	18b <u> .00</u>	18c <u> .00</u>
19 Federal estate tax		19b <u> .00</u>	19c <u> .00</u>
20 Exemption		20b <u> .00</u>	20c <u> .00</u>
21 Add Column C, Lines 14 through 19.			21 <u> .00</u>
22 Write your federal taxable income from U.S. Form 1041, Line 22.		22 <u> .00</u>	
23 Subtract Line 21 from Line 12. This is the non-Illinois portion of your federal taxable income.			23 <u> .00</u>



Step 3: Figure your Illinois additions and subtractions

In Column A, write the total amounts from your Form IL-1041, Column B.

You must read the instructions for Column B to properly complete this step.

	A Form IL-1041 Fiduciary Share	B Non-Illinois Portion
24 Federal net operating loss deduction (Form IL-1041, Line 2)	24a _____ .00	24b _____ .00
25 ESBT taxable income (Form IL-1041, Line 3)	25a _____ .00	25b _____ .00
26 Exemption claimed on U.S. Form 1041, Line 20 (Form IL-1041, Line 4)	26a _____ .00	26b _____ .00
27 Illinois income and replacement tax deducted (Form IL-1041, Line 5b)	27a _____ .00	27b _____ .00
28 State, municipal, and other interest income (Form IL-1041, Line 6b)	28a _____ .00	28b _____ .00
29 Illinois Special Depreciation addition (Form IL-1041, Line 7b)	29a _____ .00	29b _____ .00
30 Related-Party Expenses additions (Form IL-1041, Line 8b)	30a _____ .00	30b _____ .00
31 Distributive share of additions (Form IL-1041, Line 9b)	31a _____ .00	31b _____ .00
32 Other additions (Form IL-1041, Line 10b)	32a _____ .00	32b _____ .00
33 Add Column B, Lines 24 through 32. This is the non-Illinois portion of your additions.		33 _____ .00
34 Add Column C, Line 23 and Column B, Line 33. This is the non-Illinois portion of your total income.		34 _____ .00
<hr/>		
35 August 1, 1969, valuation limitation amount (Form IL-1041, Line 13b)	35a _____ .00	35b _____ .00
36 Federally-taxed refund of Illinois income and replacement tax (Form IL-1041, Line 14b)	36a _____ .00	36b _____ .00
37 Payments from certain retirement plans (Form IL-1041, Line 15b)	37a _____ .00	37b _____ .00
38 Interest income from U.S. Treasury and other exempt federal obligations (Form IL-1041, Line 16b)	38a _____ .00	38b _____ .00
39 Retirement payments to retired partners (Form IL-1041, Line 17b)	39a _____ .00	39b _____ .00
40 Enterprise Zone or River Edge Redevelopment Zone Dividend subtraction (Form IL-1041, Line 18b)	40a _____ .00	40b _____ .00
41 High Impact Business Dividend subtraction (Form IL-1041, Line 19b)	41a _____ .00	41b _____ .00
42 Contributions to certain job training projects (Form IL-1041, Line 20b)	42a _____ .00	42b _____ .00
43 Illinois Special Depreciation subtraction (Form IL-1041, Line 21b)	43a _____ .00	43b _____ .00
44 Related-Party Expenses subtraction (Form IL-1041, Line 22b)	44a _____ .00	44b _____ .00
45 Distributive share of subtractions (Form IL-1041, Line 23b)	45a _____ .00	45b _____ .00
46 ESBT loss amount (Form IL-1041, Line 24b)	46a _____ .00	46b _____ .00
47 Other subtractions (Form IL-1041, Line 25b)	47a _____ .00	47b _____ .00
48 Add Column B, Lines 35 through 47. This is the total of your non-Illinois subtractions.		48 _____ .00

Step 4: Figure your non-Illinois income and Schedule CR decimal

49 Subtract Line 48 from Line 34. If Line 48 is larger than Line 34, write zero. This is your non-Illinois base income.	49 _____ .00
50 Write the base income from Form IL-1041, Line 28.	50 _____ .00
51 Divide Line 49 by Line 50 (carry to three decimal places). Write the appropriate decimal. If Line 49 is greater than Line 50, write "1."	51 _____ .00



Step 5: Figure your credit

52 See instructions before completing Columns A, B, and C.

A Name of state (do not include Illinois)	B Name of other taxing district (county, city, or local - see instructions)	C Income tax paid to other state
a _____	_____	_____ .00
b _____	_____	_____ .00
c _____	_____	_____ .00
d _____	_____	_____ .00
e _____	_____	_____ .00
f _____	_____	_____ .00
g _____	_____	_____ .00
h _____	_____	_____ .00

53 Add Column C, Lines 52a through 52h (and the amounts from Column C of any additional pages you attached). This is the total income tax paid to other states on Illinois base income. 53 _____ .00

54 Write the amount of Illinois income tax due from Form IL-1041, Line 41. 54 _____ .00

55 Write the decimal amount from Step 4, Line 51. 55 _____

56 Multiply Line 54 by Line 55. 56 _____ .00

57 Write the lesser of Lines 53 or Line 56. This is your tax credit.
Write this amount on Form IL-1041, Line 44. 57 _____ .00

Attach this schedule, copies of your out-of-state tax returns, and a copy of your U.S. Form 1041, Page 1, with a detailed breakdown of the amount on U.S. Form 1041, Line 11, to your Form IL-1041.





Schedule CR (IL-1041) Instructions

General Information

What is the purpose of Schedule CR?

Schedule CR allows you to take an Illinois Income Tax credit for income taxes you paid to another state on income you received while a resident of Illinois. You are allowed this credit **only** if you file a tax return with that state and if the same income is taxed by both Illinois and the other state during the same taxable year. In Illinois, this income is considered to be "double-taxed" income. This credit is limited to the amount of Illinois tax that you have also paid on the double-taxed income. **This credit cannot be taken against replacement tax.**

Which version of Schedule CR should I use?

Use this form only for calendar year 2009 and subsequent tax years. If you are filing for an earlier tax year, you must use the appropriate revision for that year, as found on our web site.

What taxes qualify for the credit?

Taxes that qualify for the credit are income taxes you paid to another state of the United States, the District of Columbia, Puerto Rico, or any territory or possession of the United States, or to a political subdivision (such as a city or county) of one of these jurisdictions. No credit is allowed for taxes paid to the federal government or to foreign countries or to their political subdivisions.

To qualify for this credit, a tax must be deductible as state and local income tax on Page 1, Line 11, of your U.S. Form 1041, Income Tax Return for Estates and Trusts, whether or not you actually claimed the deduction. The Michigan Single Business Tax is not an income tax and does not qualify for the credit.

Note → No credit is allowed for interest or penalties imposed on you, even in connection with an income tax. You may claim the credit for income taxes paid on your behalf (e.g., by withholding or with a composite return), but only if you are the person legally liable for the tax (i.e., if you would be required to pay the tax if it had not been paid on your behalf).

What forms must I attach to receive this credit?

You must attach complete copies of the tax return(s) you filed with the other state(s), and a copy of your U.S. Form 1041, Page 1, with a detailed breakdown of the amount on Line 11.

If you are a partner in a partnership or a shareholder in an S corporation that pays taxes for you in another taxing jurisdiction, attach a copy of the letter or statement (not the federal Schedule K-1) furnished to you by them. This letter must include the partnership or S corporation name and FEIN, the income, and the tax paid on your behalf.

What if I need additional assistance?

If you need additional assistance,

- visit our web site at tax.illinois.gov;
- call our Taxpayer Assistance Division at **1 800 732-8866** or **217 782-3336**;
- call our TDD (telecommunications device for the deaf) at **1 800 544-5304**; or
- write to us at **P.O. Box 19044, Springfield, Illinois 62794-9044**.

Our office hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

Specific Instructions

Step 1: Provide the following information

Specific instructions for most of the lines are provided. Lines that are not discussed in the instructions are self-explanatory.

Write your name and federal employer identification number as shown on Form IL-1041.

Step 2: Figure the non-Illinois portion of your federal taxable income

Column A - U.S. Form 1041

Write the amounts exactly as reported on your U.S. form 1041.

Column B - U.S. Form 1041

For each line item, write the fiduciary's share of the amounts shown in Column A.

Column C - Non-Illinois portion

To determine the non-Illinois amount, you must read and follow the instructions for each line item.

Line 1 — Interest income that you received, other than business interest income, is Illinois income. Therefore, do not include any nonbusiness interest.

Business interest income that you received as part of a business conducted in Illinois is sourced to Illinois. If this income was received

- entirely from Illinois sources, write zero on this line.
- entirely outside Illinois, write the amount from Column B.
- from both inside and outside Illinois, complete the IAF Worksheet on Page 8 to figure the non-Illinois portion of that income, and include the amount from Line 5 of the worksheet.

Line 2 — Dividend income that you received, other than business dividend income, is Illinois income. Therefore, do not include any nonbusiness dividends.

Business dividend income that you received as part of a business conducted in Illinois is sourced to Illinois. If this income was received

- entirely from Illinois sources, write zero on this line.
- entirely outside Illinois, write the amount from Column B.
- from both inside and outside Illinois, complete the IAF Worksheet on Page 8 to figure the non-Illinois portion of that income, and include the amount from Line 5 of the worksheet.

Line 3 — Business income or loss that you received as part of a business conducted in Illinois is sourced to Illinois. If your business income or loss was received

- entirely from Illinois sources, write zero on this line.
- entirely outside Illinois, write the amount from Column B.
- from both inside and outside Illinois, complete the IAF Worksheet on Page 8 to figure the non-Illinois portion of that income, and include the amount from Line 5 of the worksheet.

Line 4 — Write any capital gains or losses, other than business capital gains or losses, that you received from the sale of real property or tangible personal property located outside Illinois at the time of the sale or exchange. Nonbusiness capital gains or losses that resulted from your sale of intangibles are sourced to Illinois and cannot be included in Column C. Capital gains or losses that you

received as part of a business conducted in Illinois are taxed by Illinois. If you received your business income or loss

- entirely from Illinois sources, write zero on this line.
- entirely outside Illinois, include all business capital gains or loss.
- from both inside and outside Illinois, complete the IAF Worksheet on Page 8 to figure the non-Illinois portion of your capital gain or loss, and include the amount from Line 5 of the worksheet.

Line 5 — Figure the total amount to write on this line by adding

- the net amount of nonbusiness income or loss that you received from
 - ◆ real estate located outside Illinois.
 - ◆ tangible personal property, to the extent it was used outside Illinois.

Note → You can determine the extent of non-Illinois use of tangible personal property by dividing the number of days the property was outside Illinois during the rental or royalty period in the taxable year, by the total number of days in the rental or royalty period in the taxable year. Multiply the resulting fraction by the net amount of rents or royalties received.

- ◆ patents and copyrights (the amount that was used outside Illinois).

Note → A **patent** is used outside Illinois when it is employed in the production, fabrication, manufacturing, or other processing of a product outside Illinois, or when a patented product is produced outside Illinois. A **copyright** is used outside Illinois when the printing or publication originated outside Illinois.

- net rent and royalty income that you received as part of a business conducted in Illinois is sourced to Illinois if the business is conducted in Illinois. Therefore, if the business was conducted
 - ◆ entirely within Illinois, do not include any net business rent and royalty income on this line,
 - ◆ entirely outside Illinois, include all of the net business rent and royalty income on this line,
 - ◆ both inside and outside Illinois, complete the IAF Worksheet on Page 8 to figure the non-Illinois portion of your net business rent and royalty income, and include the amount from Line 5 of the worksheet on this line.

Line 6 — Complete the Partnership, S corporation, and Trust (PST) Worksheet on Page 8 to figure the amount to include.

Line 7 — Complete the Partnership, S corporation, and Trust (PST) Worksheet on Page 8 to figure the amount to include.

Line 8 — REMIC income is treated as interest income. Follow the instructions for Step 3, Column C, Line 7.

Line 9 — All farm income or loss that you included on federal Schedule F (Form 1040), Profit or Loss From Farming, is sourced to Illinois if the farming business is located in Illinois. Therefore, if the farming business was conducted

- entirely within Illinois, write “0” on this line,
- entirely outside Illinois, write the amount from Column B on this line,
- both inside and outside Illinois, complete the IAF Worksheet on Page 8 to figure the non-Illinois portion of your farm income or loss, and write the amount from Line 5 of the worksheet on this line.

Line 10 — All gains and losses that you included on federal Form 4797, Sales of Business Property, are classified as business income. These gains and losses are sourced to Illinois if the business was conducted in Illinois. Therefore, if the business was conducted

- entirely from Illinois, write “0” on this line,
- entirely outside Illinois, write the amount from Column B on this line,
- both inside and outside Illinois, complete the IAF Worksheet on Page 8 to figure the non-Illinois portion of your farm income or loss, and write the amount from Line 5 of the worksheet on this line.

Line 11 — Include unpaid compensation that is income in respect of a decedent if the compensation would **not** be considered “paid in Illinois” in the hands of the decedent if the decedent had lived and received such amount. See department regulations, Section 100.7010 for rules regarding whether compensation is “paid in Illinois.”

Do not include on this line any items of other income that are sourced to Illinois. For example, do not include any income that you received from the Illinois State Lottery. Also, do not include any part of a distribution from a qualified retirement plan, or retirement payment to retired partners, or the total distribution shown on form 1099-R, distributions for Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., that is treated as ordinary income.

Line 12 — Follow the instructions on Illinois Schedule CR.

Note → The non-Illinois portion of a deduction is determined by first allocating the deduction to the item of income to which it relates. The item of deduction is a non-Illinois deduction to the extent that the related item of income is non-Illinois. For example, if a deduction item relates to an item of business income, and 50 percent of that income was reported in column C as non-Illinois income using the IAF worksheet, then 50 percent of that deduction is the non-Illinois portion of the deduction. If the deduction was passed through to you by a partnership or S corporation, complete the partnership or S corporation worksheet on Page 8 to figure the amount to include.

Line 13 — Leave this line blank. Interest reported on your U.S. form 1041, Line 10, is nonbusiness income. Therefore, all of your interest expense is sourced to Illinois.

Line 14 — Write the amount of taxes from Column B that is attributable on this line any Illinois income or replacement tax that you deducted on your U.S. Form 1041.

Lines 15 through 18 — To determine the non-Illinois portion of the deductions reported in Column B, Lines 15 through 17, first complete the following calculation to determine your allocation fraction.

$$\frac{\text{Amount from Column C, Line 12}}{\text{Sum of Column B, Lines 1 through 11}} = \text{Allocation fraction}$$

If the amount from Column C, Line 12, is greater than the sum of Column B, Lines 1 through 11, your allocation fraction is 1.0.

Line 15 — Multiply the amount in Column B, Line 15, by the allocation fraction determined above. Write the result in Column C, Line 15.

Line 16 — Multiply the amount in Column B, Line 16, by the allocation fraction determined above. Write the result in Column C, Line 16.

Line 17 — Multiply the amount in Column B, Line 17, by the allocation fraction determined above. Write the result in Column C, Line 17.

Line 18 — Write the amount of other deductions from Column B attributable to income reported in Column C, Lines 1 through 11.

Note → Do not include any federal net operating loss deduction on this line.

Line 19 — Complete the following calculation to determine the non-Illinois portion of your Estate Tax deduction.

$$\frac{\text{Amount of income in respect of a decedent reported in Column C, Line 11.}}{\text{Total income in respect of a decedent reported in Column B, Line 11.}} = \text{Non-Illinois IRD percentage}$$

Multiply Column B, Line 19 by the Non-Illinois IRD percentage determine above. Write the result in Column C, Line 19.

Line 20 — Leave this line blank.

Lines 21 through 23 — Follow the instructions on the form.

Step 3: Illinois additions and subtractions

Additions - Column B

Line 24 — Write zero on this line.

Line 25 — Complete the Partnership and S corporation Worksheet on Page 8 to determine the amount to include on this line.

Lines 26 and 27 — Write zero on these lines.

Line 28 — Interest income that you received, other than business interest income, is Illinois income. Do not include any nonbusiness interest.

Business interest income that you received as part of a business conducted in Illinois is sourced to Illinois. Therefore, if the business was conducted

- entirely within Illinois, write zero on this line.
- entirely outside Illinois, write the amount from Column A.
- from both inside and outside Illinois, complete the IAF Worksheet on Page 8 to figure the non-Illinois portion of that income, and include the amount from Line 5 of the worksheet.

Line 29 — Write the amount that you reported on Form IL-4562, Special Depreciation, that resulted from non-Illinois property. If this depreciation was incurred as part of a business conducted in Illinois, then the special depreciation addition is sourced to Illinois. Therefore, if the business was conducted

- entirely within Illinois, write zero on this line.
- entirely outside Illinois, write the amount from Column A.
- from both inside and outside Illinois, complete the IAF Worksheet on Page 8 to figure the non-Illinois portion of that income, and include the amount from Line 5 of the worksheet.

Line 30 — Include on this line the sum of the following:

- the amount of interest expense that you included as a related party expense addition in Column A that was deducted in figuring the non-Illinois portion of your federal taxable income on Step 2, Column C, Line 23, and
- the amount of intangible expense that you included as a related party expense addition in Column A that was deducted in figuring the non-Illinois portion of your federal taxable income on Step 2, Column C, Line 23.

Line 31 — Any distributive share of additions received from partnerships, S corporations, trusts, and estates are reported on Schedules K-1-P and K-1-T. Complete the Partnership and S corporation Worksheet on Page 8 to figure the amount to include.

Line 32 — Include the sum of the following on this line:

- the non-Illinois portion of interest from notes, bonds, debentures, or obligations issued by the governments of Guam, Puerto Rico, or the Virgin Islands, from your Illinois Schedule M, Line 2. See the instructions for Column B, Line 28, to determine the amount to report on this line;
- any Lloyds plan of operations loss, if reported on your behalf on Form IL-1023-C, composite Income and Replacement Tax Return, from your Illinois Schedule M, Line 3, to the extent the loss was deducted in figuring the non-Illinois portion of your federal taxable income in Column C, Line 23.
- from your Illinois Schedule M, Line 6, the smaller of any capital loss on U.S. form 1041, Line 4, that you may carry forward or any negative amount on U.S. Form 1041, Line 22, to the extent the loss was deducted in figuring the non-Illinois portion of your federal taxable income in Column C, Line 23.

Lines 33 and 34 — Follow the instructions on the form.

Subtractions - Column B

Line 35 — Write the amount from Column A that was included in figuring the non-Illinois portion of your federal taxable income in Column C, Line 23.

Lines 36 and 37 — Write zero on these lines.

Line 38 — Write the amount from Column A that you included in Column C, Line 1, as non-Illinois interest income.

Line 39 — Write the amount of any partner retirement pay included in Column C, Line 23.

Lines 40 and 41 — For each line item, write the amount from Column A that you included in Column C, Line 2 as non-Illinois dividend income.

Line 42 — Write zero on this line, unless the contribution was made in connection with a business conducted in Illinois. If the contribution was made as part of a business conducted in Illinois, then the contribution is sourced to Illinois. Therefore, if the business was conducted

- entirely within Illinois, write zero on this line.
- entirely outside Illinois, write the amount from Column A.
- from both inside and outside Illinois, complete the IAF Worksheet on Page 8 to figure the non-Illinois portion of your contribution, and include the amount from Line 5 of the worksheet.

Line 43 - Write the amount that you reported on Form IL-4562, Special Depreciation, that resulted from non-Illinois property. If this depreciation was incurred as part of a business conducted in Illinois, then the special depreciation subtraction is sourced to Illinois. Therefore, if the business was conducted

- entirely within Illinois, write zero on this line.
- entirely outside Illinois, write the amount from Column A.
- from both inside and outside Illinois, complete the IAF Worksheet on Page 8 to figure the non-Illinois portion of your subtraction, and include the amount from Line 5 of the worksheet.

Line 44 — Include on this line the sum of the following:

- the amount included in column A that represents interest received from affiliated companies that you included in Column C, Line 1, as non-Illinois interest income, plus
- the amount in Column A that represents intangible income received from affiliated companies that you included in Column C, Line 23, in computing the non-Illinois portion of your federal taxable income.

Line 45 — Any distributive share of subtractions received from partnerships, S corporations, trusts, and estates are reported on Schedules K-1-P and K-1-T. Complete the Partnership and S corporation Worksheet on Page 8 to figure the amount to include.

Line 46 — Complete the Partnership and S corporation Worksheet on Page 8 to determine that amount to include on this line.

Line 47 — Include the sum of the following on this line:

- the non-Illinois portion of interest from notes, bonds, debentures, or obligations issued by the governments of Guam, Puerto Rico, or the Virgin Islands you included in Column B, Line 28.
- any Lloyds plan of operations income, if reported on your behalf on Form IL-1023-C, Composite Income and Replacement Tax Return, from your Illinois Schedule M, Line 11, to the extent the income was included in figuring the non-Illinois portion of your federal taxable income in Column C, Line 23.
- the amount equal to the deduction used to compute the federal tax credit for restoration of amounts held under claim of right under IRC Section 1341 from your Illinois Schedule M, Line 12, but only to the extent that the prior year's income you had to repay was included on your prior year Schedule CR as part of your non-Illinois federal taxable income, or would have been included if you had filed a Schedule CR for the prior year.

- the amounts disallowed as federal deductions or interest expenses under IRC Sections 171(a)(2), 265, or 280C from your Illinois Schedule M, Line 13 include only the following:
 - ◆ federal credits - Use the IAF worksheet on Page 8 for your business activity that generated the federal credits in order to determine the amount of disallowed federal deductions to include on this line;
 - ◆ expenses related to federally tax exempt income - multiply the amount in Column A that is related to expenses for federally tax exempt income by the percentage of that federally tax exempt income that is included in Column B, Line 34.

Step 4: Figure your non-Illinois income and Schedule CR decimal

Lines 49 through 51 — Follow the instructions on the form.

Step 5: Figure your credit

Line 52 —

Columns A and B - Write the name of each state and the name of any county, city, or local taxing district in which you paid tax on income that you received while you were an Illinois resident. The state should only be listed if the income tax paid in the other state was for the same income included on Form IL-1041, Line 27.

Note → If you need more than eight lines, attach a separate page following the same format.

Column C - Write the amount of income tax you paid to the other state listed in Column B, on income that is included on your Form IL-1041.

Line 53 — Add the amounts in Column C, Lines 52a through 52h, plus the Column C amounts from any additional pages you attached when you figure this total. This is the amount of income tax that you paid to the other states on Illinois base income.

Line 54 through 57 — Follow the instructions on the form.

Business or Farm Income Apportionment Formula (IAF) Worksheet

You must complete this worksheet if you received business or farm income from both inside and outside of Illinois. If you have more than one source of business or farm income, make copies of this worksheet and prepare a separate worksheet for each line of the Schedule CR on which you reported business or farm income.

Worksheet for Schedule CR, Line _____

	Column A Total sales everywhere	Column B Total sales inside Illinois		Column C Apportionment Factor Column B ÷ Column A
1 Line 1 is 1.000.			1	1 . 000
2 Figure your apportionment factor. _____ .00	_____ .00	_____ .00	2	_____
3 Subtract Line 2 from Line 1. If negative, write zero.			3	_____
4 Write the amount of your business or farm income from Schedule CR, Column B.			4	_____ .00
5 Apportioned Income – Multiply Line 4 by the Line 3 decimal. Write the result here and on the corresponding line on Schedule CR (see instructions).			5	_____ .00

Keep a copy of this worksheet with your income tax records.

IAF Worksheet Instructions

Line 1: Line 1 must be 1.000.

Line 2: Apportionment factor

Column A

Write the total amount of sales that you received from both inside and outside Illinois.

Column B

Write the total amount of sales that you received in Illinois.

Column C

Divide Column B by Column A. Carry the decimal to six places.

This is your apportionment factor.

Lines 3 and 4: Follow the instructions on the worksheet.

Line 5: Follow the instructions on the worksheet and write the result in Step 2, Column C, or Step 3, Column B for each line item.

Note → If you need more detailed instructions, see the instructions for Form IL-1120, Corporation Income and Replacement Tax Return, Step 4. If your business income was derived from a transportation company, an insurance company, financial or broadcasting organization, see Form IL-1120 specific instructions for "Special Apportionment Formulas."

Partnership, S corporation, Trust (PST) Business Income Worksheet

You must complete this worksheet if you received an Illinois Schedule K-1-P or K-1-T from a partnership, S corporation, or trust. Make copies of this worksheet and prepare a separate worksheet for each line of the Schedule CR on which you reported amounts from these schedules.

Worksheet for Schedule CR, Line _____

1 Line 1 is 1.000.			1	1 . 000
2 Write the amount from Step 1, Line 4 of Schedule K-1-P or K-1-T.			2	_____
3 Subtract Line 2 from Line 1. If negative, write zero.			3	_____
4 Income from Schedule CR, Column B.			4	_____ .00
5 Multiply Line 3 by Line 4, and write the result in Schedule CR, Column C.			5	_____ .00

Keep a copy of this worksheet with your income tax records.

PST Worksheet Instructions

Line 1: Line 1 must be 1.000.

Line 2: Write the decimal from Schedule K-1-P or K-1-T, Step 1, Line 4.

Lines 3 and 4: Follow the instructions on the worksheet.

Line 5: Follow the instructions on the worksheet and write the result in Step 2, Column C, or Step 3, Column B for each line item.